

Item No. 169

LAUDERDALE • BY • THE • SEA

Agenda Item Memorandum**Finance**

Department

Tony Bryan

Department Director

COMMISSION MEETING DATE - 7:00 PM	Deadline to Town Clerk
<input checked="" type="checkbox"/> October 9, 2012 – Regular Meeting 7:00 PM	Oct 3

*Subject to Change

- | | | | |
|---------------------------------------|---|--|---------------------------------------|
| <input type="checkbox"/> Presentation | <input type="checkbox"/> Reports | <input type="checkbox"/> Consent | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Quasi-Judicial | <input checked="" type="checkbox"/> Old Business | <input type="checkbox"/> New Business |

☐ **FY2012 DESIGNATED HIGH PRIORITY ITEM - PRIORITY TOPIC****SUBJECT TITLE: Sewer Rate Study**

EXPLANATION: On August 21, 2012 the Commission expressed reservations about setting the fixed component of the Town's commercial customers' sewer bills (i.e., the base facility charge) on the American Water Works Association (AWWA) equivalency factors which are based on meter size. Specifically, the concern was that the AWWA meter equivalency factors might not provide a true indication of demand being placed on the system by commercial customers, and consequently might be shifting some of the cost burden on single family and multifamily residential customers. In response to these concerns the Commission directed Burton & Associates to do more analysis of individual commercial accounts.

The Commission will recall that in developing the rate structure, Burton determined what the consumption of the average single family home was in peak usage periods. He then compared the average multi-family peak usage to the single family average and determined they used only 41% of what the average single family home consumed. In rate-making jargon, that means that the average multi-family customer's base facility charge per unit should be 41% of a single family home. So Burton needed to determine how many equivalent residential units (ERUs) to apply to each commercial account. For example, if a commercial customer's water usage averages twice that of an average single family home, they would be assigned two ERUs and their base facility charge should be that of a single family homeowner multiplied by two.

Using 2011 billing records, Burton calculated the demand each commercial customer places on the sewer system by taking the average of their three highest months' water consumption and calculated how many ERUs that worked out to be. His analysis revealed that using the AWWA's meter size assumptions about ERUs understated the commercial customers' water usage. Burton recalculated the proposed rates based on actual usage patterns and the results are as follows:

	Single Family Residential	Multi Family Residential	Commercial
Cust Service / Admin Charge (by bill)	\$ 1.31	\$ 1.31	\$ 1.31
Base Facility Charge (by ERU)	\$ 8.92	\$ 3.68	\$ 8.92
Usage Charge (per 1,000 gallons)	\$ 5.13	\$ 5.13	\$ 5.13

The effect, when compared to the rate structure that was presented to the Commission on August 21, is that:

Single family monthly base facility charge decreases by \$1.34.

Multi-family monthly base facility charge decreases by \$.55 per unit.

Commercial customers' monthly base facility charge would be determined by their ERU calculation

The table below illustrates the impact of the revised proposed rate structure relative the current rate structure on single family homeowners at different usage levels.

	Gallons	Revised Proposed	Current	Diff (\$)	Diff %
Median	4,000	\$ 30.75	\$ 28.73	\$ 2.02	7%
	5,000	\$ 35.88	\$ 32.19	\$ 3.69	11%
	6,000	\$ 41.01	\$ 35.65	\$ 5.36	15%
	7,000	\$ 46.14	\$ 39.11	\$ 7.03	18%
Average	8,000	\$ 51.27	\$ 42.57	\$ 8.70	20%
Max	9,000	\$ 56.40	\$ 46.03	\$ 10.37	23%
	10,000	\$ 61.53	\$ 49.49	\$ 12.04	24%

Defining Commercial Customers' Base Facility Charges in an Ordinance

Basing the rates on individual commercial customers' usage patterns creates administrative challenges. It would be unwieldy to list every commercial account's rate in an ordinance. If there was a change to an existing business (e.g., from a retail store, which typically has a relatively low water use, to a laundry, which has a relatively high water use) the base facility charge may not be reflective of the new usage patterns and so the ordinance would need to be amended often. Similarly, if a new business is opened, there is no usage history.

In order to address these issues we are analyzing commercial customers' usage patterns to identify logical groupings with similar usage patterns. For example, we notice that most retail stores have an ERU of one, so we may be able to state in the ordinance that individually metered retail stores shall have the same base facility charge as single family customers. The same might be true of single story office buildings. We do see there are some categories of use (i.e. hotels and large restaurants) where there is no discernible pattern of water use. In such cases, we are going to discuss with the Town Attorney whether we can just describe the methodology for calculating their base facility charge in the ordinance.

Rates in Future Years

Lastly, in all of our previous updates to the Commission on sewer rates we told you that we were waiting on TeleVac to finish televising the laterals and for King Engineering to finish analyzing the tapes, so that we could estimate the cost to repair the laterals. The review is almost complete and based on the number of laterals that will need repair and the cost to repair them as reflected in our new annual construction contract, the cost will be significantly higher than we anticipated. As a result, we have increased the capital budget projections to repair the laterals by \$50,000 in 2014 and \$300,000 in both 2015 and 2016). In order to help alleviate some of cost burden associated with the increase, we asked Burton to change the reserve requirement from six months of operations and maintenance expenses to five months. Nevertheless, the increased capital spending will still affect future rate increases. Previously, the model called for a 10% reduction in 2013, no change in 2014, 3% annual increases starting in 2015 and 3.85% increases starting in 2018. Now the model calls for a 10% reduction in 2013, and annual increases of 3.5% starting in 2015.

Notice Requirements

The Town Attorney has advised that because the changes from what was advertised in the original notice of intent to modify the sewer rates are so substantial, we are required to issue a new notice, which will push adoption into November at the earliest.

EXPECTED OUTCOME: Commission to review this information and provide guidance whether to incorporate the new methodology described in this agenda item to calculate commercial base facility charges in the ordinance that will come before you for first reading and a public hearing on October 23rd and will be re-advertised prior to second reading and a public hearing in November.

EXHIBITS: Burton & Associates: FY 2012 Wastewater Rate Study - Final Draft Technical Memorandum dated, October 3, 2012

Reviewed by Town Attorney

☐ Yes ☒ No

Town Manager Initials

CA

FINAL DRAFT TECHNICAL MEMORANDUM

Burton & Associates

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St. Augustine, FL 32095

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Facsimile: (904) 241-7708

DATE: October 3, 2012

TO: Connie Hoffmann, Town Manager – Town of Lauderdale-By-The-Sea

FROM: Michael Burton, President – Burton & Associates

RE: RESULTS OF THE FY 2012 WASTEWATER RATE STUDY

INTRODUCTION: The Town of Lauderdale-By-The-Sea (the Town) provides wastewater service to the residents and businesses in the southern half of the Town. The Town contracts for wastewater treatment services with the City of Pompano Beach under the terms of an interlocal wastewater service agreement. Water is provided to the Town's residents and businesses by the City of Fort Lauderdale and the Town contracts with the City of Fort Lauderdale for utility billing and customer service for the Town's wastewater customers.

The Town recently retained Burton & Associates to conduct a Wastewater Rate Study (the Study) to 1) develop a multi-year financial management plan and associated plan of annual rate adjustments that would provide sufficient revenues to meet the wastewater utility's current and projected cost requirements, and 2) evaluate the current wastewater rate structure, recommend changes as appropriate and develop proposed wastewater rates using the proposed rate structure that will recover the revenue requirements identified in the financial plan developed under item 1. This Final Draft Technical Memorandum presents the results of the Study.

OBJECTIVE

The Town retained Burton & Associates to perform a Wastewater Rate Study (Study) as part of the financial management of its Wastewater Proprietary Fund (Utility). The objectives of this Study were to:

1. Evaluate the sufficiency of the Utility's current revenues to meet its current and projected cost requirements, and
2. Determine appropriate changes to the wastewater rate structure and develop rates under a recommended rate structure to recover the revenue requirements identified in the financial plan.

As the intent of a Proprietary Fund is to completely recover the cost of providing services through user fees or charges, to the extent that the current wastewater revenues are not sufficient to meet the Utility's current and future cost requirements, rate revenue

adjustments were to be identified in order to satisfy the operating and capital requirements of the Utility over a multi-year projection period. Also, in order to ensure that the wastewater rates recovered the required revenue in a manner that is fair and equitable and in conformance with accepted rate making practice, adjustments to the current rate structure were to be identified and rates computed under the recommended rate structure. The impact of the recommended rates upon customers' monthly wastewater bills under the adjusted rate structure were also to be demonstrated.

BASE DATA

The analysis was performed using the most current historical and projected information available for the Utility. The following sources of the data for the Utility were relied upon in the conduct of the rate study:

1. Beginning Operating Fund Balance for Fiscal Year Ended September 30, 2011 provided by Town staff.
2. FY 2011 wastewater billings (usage and billed amount) by account for the Utility per the City of Fort Lauderdale
3. FY 2012 Budget for revenue and expenditures
4. FY 2012 year-to-date actual revenue and expenditure data through 5/31/2012
5. FY 2013 preliminary budget for revenue and expenditures
6. Additional future operating and capital improvement requirements as identified by Town staff for FY 2012 through FY 2017 based upon King Engineering's analysis of capital needs, adjusted for bid prices where applicable.

KEY ISSUES

The Town operates and maintains the wastewater collection system and contracts with the City of Pompano Beach for wastewater treatment services. A comprehensive wastewater rate study has not been completed for many years; however, in the winter of 2011 the Town adopted Pompano Beach's rates with the Pompano Beach 25% surcharge in order to provide sufficient revenue for the system and to equalize rates among Town residents. This Study was commissioned to ensure that the proper amount of revenues are recovered in the wastewater rates in order to recover all of the Utility's costs and that those wastewater rates fairly and equitably distribute the burden of those costs to customer classes based upon the demands placed upon the system by each customer class.

ANALYSIS

This section describes the analyses conducted during the Study. The study was conducted in two work elements. Work Element I consisted of a revenue sufficiency analysis during which a ten year projection of revenues and expenses and a ten year financial plan were developed for the Utility. Work Element II consisted of a diagnostic evaluation of the current rate structure, determination of recommended adjustments to the rate structure and development of rates under the recommended rate structure. A more detailed description of the analysis conducted in these work elements is described below.

Work Element I – Revenue Sufficiency Analysis

In this work element, a ten year projection was developed of the ability of the Utility's wastewater rates to provide sufficient revenues to meet all of its operations and maintenance (O&M), renewal and replacement and capital projects requirements. We used our Financial Analysis and Management System (FAMS-XL®) model (Model) to facilitate this analysis. The Model was loaded with the Utility's financial and operating data and an initial analysis was developed. Escalation factors were estimated for each cost element in order to project costs over the forecast period. A capital improvement program was loaded into the model with the amount and timing of specific capital projects provided by Town staff. We then met in an interactive work session with Town staff to review the preliminary results and made appropriate adjustments based upon input from Town staff. The revenue requirements for FY 2013 in the results of this analysis were then used to develop specific wastewater rates in Work Element II.

Work Element II – Rate Design

In this work element, we conducted a diagnostic evaluation of the current wastewater rate structure. We recommended adjustments to the rate structure and developed wastewater rates under that rate structure that will recover the revenue requirements for FY 2013 which was identified in Work Element I. We used the Town's FY 2011 billing data, which was provided by the City of Fort Lauderdale, as the basis for development of the proposed wastewater rates. Tables were also developed which demonstrated for each customer class and for customers with various levels of wastewater usage, the monthly wastewater bill with the current rates and the monthly wastewater bill with the proposed rates so that it will be clear as to the impact that the proposed rates will have upon each customer class. We then conducted an interactive work session with Town staff to review the preliminary results and made appropriate adjustments to provide for fair and equitable distribution of costs in accordance with accepted rate making practice based upon the demands placed on the system by the Town's customers.

Technical Memorandum

We then prepared this Final Draft Technical memorandum of the results of the Study. We will meet with the Town Commission to present the preliminary results of the Study and to review this Final Draft Technical Memorandum. Upon receipt of input from the Town Commission and Town staff, we will make any necessary adjustments and prepare a Final Technical Memorandum of the results of the Study.

RESULTS

This section presents the results of the Study. The results are presented for Work Element I – Revenue Sufficiency Analysis and for Work Element II – Rate Design in the two following sections.

Work Element I – Revenue Sufficiency Analysis

The results of this work element consist of a ten year financial plan for the Utility. This plan identifies annual rate adjustments to ensure that 1) the wastewater rates generate sufficient revenue to cover all of the utilities operations and maintenance (O&M) costs and capital costs in each year of the projection period, and 2) that adequate working capital reserves (equal to five months of O&M expenses) are maintained throughout the projection period. This level of reserves is recommended to ensure that the Utility has sufficient resources for liquidity, unforeseen system failures and natural disasters such as hurricanes. The first five years of the projection period are considered to be the planning period (projections will be more accurate during the first five years) and the second five years are a projection period (projections are more likely to vary from actual outcomes the further into the future the projections are made).

The results of this work element show that no annual rate revenue adjustments will be necessary through FY 2017. However, beginning in FY 2018 3.0% annual rate revenue adjustments will be required in order to provide sufficient revenue in the remaining years of the projection period to cover all of the cost requirements of the wastewater system without the need for borrowing to fund the capital improvement program.

Furthermore, the Town could reduce rates across the board in FY 2013 by 10% if desired. However, this would require 3.5% annual rate revenue adjustments beginning in FY 2015. A summary of the results of the Revenue Sufficiency Analysis is presented in the Control Panel of the FAMS-XL® model on the following page. Schedules of O&M costs and the Capital Improvements Program that are included in this analysis are presented on the pages following the Control Panel.

FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY

Capital Spending

Year	Current Plan (Millions \$)	Last Plan (Millions \$)
11	0.2	0.2
12	0.3	0.3
13	0.4	0.4
14	0.5	0.5
15	0.6	0.6
16	0.7	0.7
17	0.8	0.8
18	0.9	0.9
19	1.0	1.0
20	1.1	1.1
21	1.2	1.2
22	1.3	1.3

Long-Term Borrowing

Year	Current Plan (Millions \$)	Last Plan (Millions \$)
11	0.0	0.0
12	0.0	0.0
13	0.0	0.0
14	0.0	0.0
15	0.0	0.0
16	0.0	0.0
17	0.0	0.0
18	0.0	0.0
19	0.0	0.0
20	0.0	0.0
21	0.0	0.0
22	0.0	0.0

Cash Flow

Year	Cash In (Millions \$)	Cash Out w/ Cash Funded Capital (Millions \$)	Cash Out - w/o Cash Funded Capital (Millions \$)
11	1.5	1.5	1.5
12	1.5	1.5	1.5
13	1.5	1.5	1.5
14	1.5	1.5	1.5
15	1.5	1.5	1.5
16	1.5	1.5	1.5
17	1.5	1.5	1.5
18	1.5	1.5	1.5
19	1.5	1.5	1.5
20	1.5	1.5	1.5
21	1.5	1.5	1.5
22	1.5	1.5	1.5

Operating Fund

Year	Current Plan (Millions \$)	Last Plan (Millions \$)	Target (Millions \$)
11	1.5	1.5	1.5
12	1.5	1.5	1.5
13	1.5	1.5	1.5
14	1.5	1.5	1.5
15	1.5	1.5	1.5
16	1.5	1.5	1.5
17	1.5	1.5	1.5
18	1.5	1.5	1.5
19	1.5	1.5	1.5
20	1.5	1.5	1.5
21	1.5	1.5	1.5
22	1.5	1.5	1.5

OPERATIONS AND MAINTENANCE EXPENSES

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
1 Salaries	\$69,654	\$71,395	\$73,180	\$75,010	\$76,885	\$78,807	\$80,777	\$82,796	\$84,866	\$86,988	\$89,163
2 FICA	3,872	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
3 Retirement	4,880	5,100	5,228	5,359	5,493	5,630	5,771	5,915	6,063	6,214	6,370
4 Group Insurance	6,500	7,000	7,500	8,250	9,075	9,983	10,981	12,079	13,287	14,615	16,077
5 Professional Services	94,000	8,400	14,800	22,600	29,300	9,600	24,800	10,200	30,500	31,263	32,044
6 Wastewater Trans & Treat Fees	731,000	688,071	669,355	709,517	752,088	797,213	845,046	895,748	949,493	1,006,463	1,066,851
7 Contractual Services	12,000	12,500	13,000	13,325	13,658	14,000	14,350	14,708	15,076	15,453	15,839
8 Utilities	16,500	17,500	18,000	19,080	20,225	21,438	22,725	24,088	25,533	27,065	28,689
9 Auto Insurance	7,753	8,000	8,250	8,456	8,668	8,884	9,106	9,334	9,567	9,807	10,052
10 Workers Comp Insurance	2,158	2,300	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046
11 Sewer Line Maintenance	43,030	27,000	27,800	29,300	29,500	30,400	31,300	32,200	33,100	34,000	34,900
12 Lateral TVing	65,000	0	10,000	10,250	10,500	10,750	11,000	11,250	11,500	11,750	12,000
13 Pump Station Maintenance	10,000	10,000	18,300	5,000	5,000	5,000	5,000	5,000	5,000	5,125	5,253
14 Contingency	0	50,000	50,000	51,250	52,531	53,845	55,191	56,570	57,985	59,434	60,920
15 Emergency Repairs	10,000	25,000	25,000	25,625	26,266	26,922	27,595	28,285	28,992	29,717	30,460
16 Capital Outlay	0	5,000	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092
17 Total	\$1,076,347	\$941,266	\$952,013	\$1,022,911	\$1,051,381	\$1,084,982	\$1,202,683	\$1,202,163	\$1,284,412	\$1,351,645	\$1,422,706

CAPITAL IMPROVEMENT PROGRAM

Project No.	Project Description	Year											TOTAL
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	
1	Grouting	\$95,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$95,000
2	Cured In Place Liners	357,000	0	0	0	0	0	0	0	0	0	0	357,000
3	Sectional Liners	0	116,000	0	0	0	0	0	0	0	0	0	116,000
4	T Liners	0	341,000	0	0	0	0	0	0	0	0	0	341,000
5	Sewer Cleanouts	0	200,000	0	0	0	0	0	0	0	0	0	200,000
6	Laterals Rehab	0	0	200,000	300,000	300,000	0	0	0	0	0	0	800,000
7	Point Repairs	0	29,000	0	0	0	0	0	0	0	0	0	29,000
8	LS#24 Generator Replacement	0	0	0	0	0	0	0	0	0	52,000	0	52,000
9	LS#24 Full Upgrade	0	0	0	0	0	0	0	0	0	783,000	0	783,000
10	LS#24 Flow Meter Replacement	0	0	0	0	0	0	0	0	0	15,700	0	15,700
11	LS#25 Full Upgrade	0	0	0	0	0	0	0	0	0	268,000	0	268,000
Total		\$452,000	\$686,000	\$200,000	\$300,000	\$300,000	\$0	\$0	\$0	\$0	\$1,118,700	\$0	\$3,056,700

Work Element II – Rate Design

During the diagnostic evaluation of the current rate structure we noted the following areas where we recommend adjustments:

Customer costs:

Discussion

Customer costs are the costs of meter reading, billing and collections and customer service. These costs are incurred equally for all accounts regardless of class, meter size, units behind a master meter or usage.

Recommendation

Therefore, we recommend inclusion of customer costs in an Admin Fee component of the fixed monthly charge apportioned equally to each account.

Readiness-to-Serve Costs (Base Facility Charge):

Discussion

Fixed costs of the system must be incurred regardless of usage. Therefore, it is appropriate to recover some portion of the fixed costs in a fixed monthly Base Facility Charge. This charge represents the recovery of costs to serve the potential demands of customers and is therefore appropriate to be apportioned to customers based upon some measure of the potential demand by customer class. Factors that are typically used to apportion costs included in this charge are meter size (with larger meters representing higher potential demands) or residential units served behind multi-family master meters. All single family customers are treated the same regardless of meter size because the usage of single family customers does not vary significantly by meter size.

Under the current rate structure approximately 50% of wastewater revenue is recovered in the monthly base facility charge. This is rather high compared to industry practice wherein utilities typically collect from 15% to 30% of the revenue requirement in the base facility charge.

In the current rate structure, the costs included in this charge are apportioned to customer classes as follows:

Single Family Residential:

Equal per account.

Multi-Family Master Metered:

Equal per unit served by the master meter (slightly less per unit than for the single family class).

Master Metered Commercial:

Equal per unit serviced by the master meter. The number of units assigned to each customer is based upon a table that was adopted from Pompano Beach that assigns a different number of units for each customer based upon business type.

Recommendation

We recommend the following adjustments to the wastewater rate structure:

Percentage of Revenue Requirement in the Base Facility Charge:

We recommend that the percentage of the revenue recovered through the base facility charge be reduced to 20%. This will be more in line with industry practice and will place more of the revenue burden in the usage charge so that high volume users will pay their fair share of the costs of service in their usage rate.

Single Family Residential:

- Include an Administrative Cost Component to recover customer costs - Spread equally to each account
- No change to the Base Facility Charge structure – Each account pays the same base facility charge

Multi-Family Master Metered:

Adjust as follows – Because the demand of a multi-family unit is less than the demand of a single family customer, we recommend that Readiness-to-Serve costs in the Base Facility Charge be apportioned to Multi-family Master Metered customers based upon a unit equivalency factor¹ applied to each unit that represents the average usage per unit, adjusted to peak-month levels, compared to the average usage per unit for single family customers. This factor was determined to be .41, which means that the potential demand of a multi-family unit, on average, is 41% of that of a single family customer. This adjustment will result in the Base Facility Charge per unit for this class being 41% of the Base Facility Charge for a single family customer. The average usage basis for this determination is presented below:

Average Monthly Use per Unit		
Customer Class	Avg Use	% of SF
Single Family	7.70	100%
Multi Family	3.18	41%

Master Metered Commercial:

Adjust as follows – Because the current units for accounts in this class were adopted from the Pompano Beach rates and the basis is not able to be

¹ A unit equivalency factor is a factor that expresses average peak period demand of a multi-family unit as a fractional multiple of the average peak period demand of a single family customer.

determined and because some of the unit designations by property use appear to not be reflective of demands, we recommend an alternative approach to the rate structure for this class.

The challenge in determining the appropriate apportionment of Base Facility Charge costs for this class is that unlike the residential single family and multi-family classes, usage from account to account in this class varies considerably and there is not a perfect apportionment factor for spreading of these Base Facility Charge costs within this class.

Therefore, it was determined in consultation with, and at the direction of the City, to establish unit equivalency factors, referred to as equivalent residential connections (ERUs) for each commercial customer based upon each customer's historical usage. The ERUs assigned to each commercial account were calculated by dividing their average monthly use during each customers' maximum 3 months within the test period by the average of the maximum 3 month usage per Single Family unit. The summary of the unit-recalculation for commercial customers is presented in the table below. A schedule containing each commercial customer and their re-calculated units is included in the Appendix of this report.

Commercial Unit Comparison		
	Current Units	Calculated Units
Monthly Units	1,231	884
Annual Units	14,772	10,608

It should be noted that a re-calculation of the ERUs for each commercial account will be necessary every twelve (12) months to be sure that changes in use are reflected in the ERUs and the Base Facility Charges for commercial customers. Also, if there is a change in ownership or tenancy, it may be necessary to establish ERUs for such accounts based upon the average ERUs for similar customers until there is enough usage data to establish the ERUs based upon the usage data of the new customer.

Usage Costs:

Discussion

All costs not recovered in the fixed monthly charge are recovered in a usage charge per 1,000 gallons of water billed. Billed water is used because it is the only measure of actual usage available, with the assumption that the water billed is returned as sewerage for treatment. The exception is that for residential customers some water usage may be for irrigation and is not returned as sewerage for treatment. Therefore, it is common to cap sewer billing for the residential class at a level where in most cases usage above the cap is used for irrigation and is not returned as sewerage for

treatment. The current rates cap sewer billings for residential units at 10,000 gallons per month.

Recommendation

The average usage for the single family class is approximately 7,700 gallons per month. Given the variability of indoor usage for this class and the closeness of the average usage to the current sewer billing cap, we recommend that the current sewer billing cap of 10,000 per month per unit be kept in place for residential customers. We recommend that the Town continue to bill commercial customers for sewer for all water usage.

The results of this work element are the recommended rates presented in the table on the following page. The recommended rates in the following page incorporate the rate design elements discussed in this section, as well as the 10% reduction in overall rate revenue requirements as discussed in the RSA portion of this report. The current rates are also shown for a comparison. Detailed schedules of the impact of these rates upon the monthly bills of customers by class are presented in the Appendix.

Existing and Recommend Wastewater Rates:

Existing Rates			
Charge Type	Single Family Residential	Multi Family Residential	Commercial
Base Facility Charge (by ERU)	\$ 14.89	\$ 14.26	\$ 16.33
Usage Charge (per 1,000 gallons)	\$ 3.46	\$ 3.46	\$ 3.46

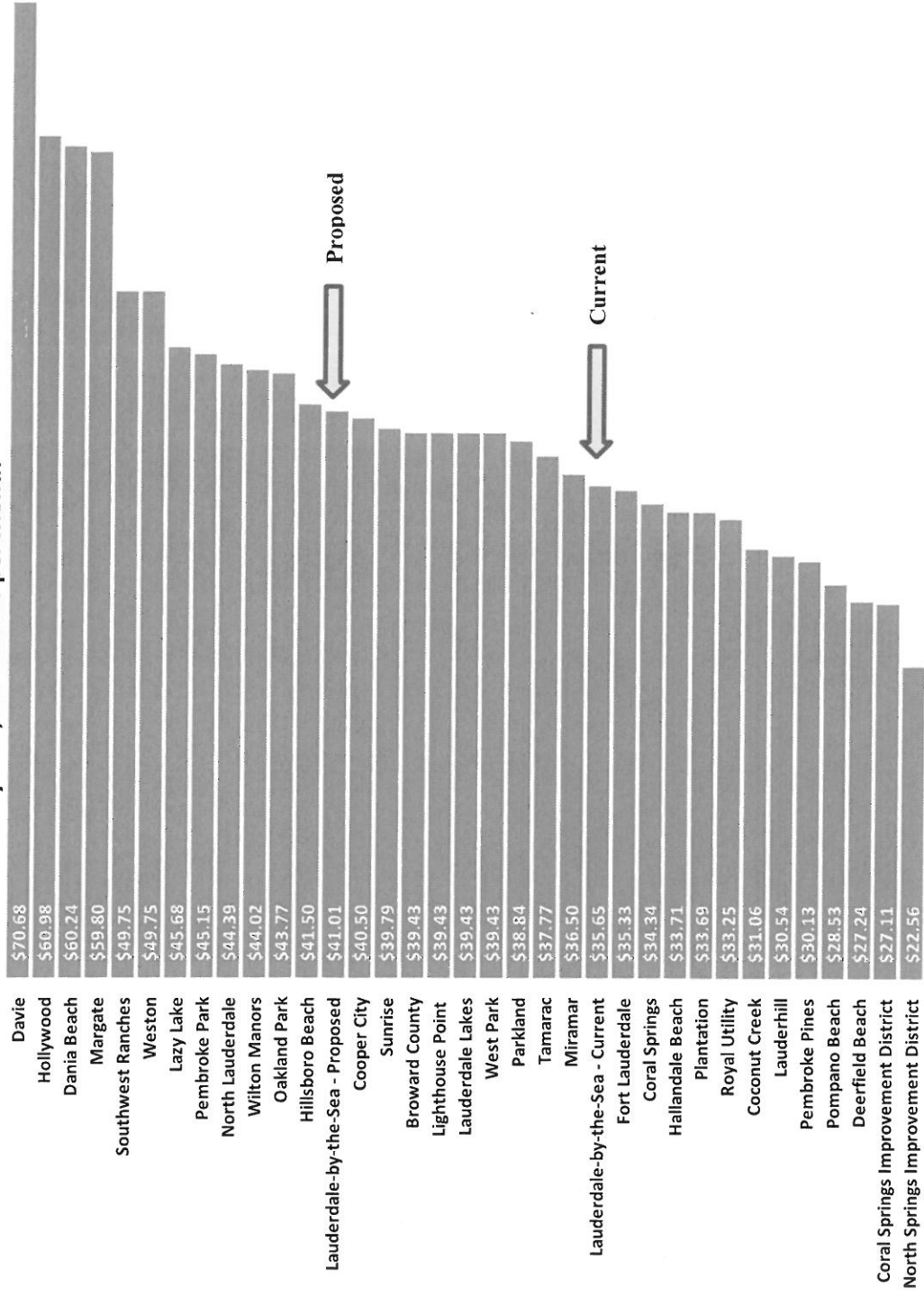
Proposed Rates			
Charge Type	Single Family Residential	Multi Family Residential	Commercial
Cust Service/Admin Charge (by bill)	\$ 1.31	\$ 1.31	\$ 1.31
Base Facility Charge (by ERU)	\$ 8.92	\$ 3.68	\$ 8.92
Usage Charge (per 1,000 gallons)	\$ 5.13	\$ 5.13	\$ 5.13

RATE SURVEY

We have included a survey of rates in other communities in the area which is presented on the following page. For each entity in the survey it shows the monthly bill of a single family customer with 6,000 gallons per month of water usage.

Single-Family Residential Rate Comparison

Sewer Bill Survey at 6,000 Gallons per Month



CONCLUSIONS & RECOMMENDATIONS

Based upon the analysis presented herein, we have reached the following conclusions and recommendations regarding the Town's wastewater system:

Conclusions:

1. The Utility's current rates could be reduced by 10% in FY 2013 and would be sufficient to meet its projected costs over the forecast period through FY 2014. However, inflationary like rate revenue increases will be required in the projection period of FY 2015 through FY 2022 to fund the projected requirements without borrowing to fund the capital improvement program.
2. The current rate structure should be adjusted to achieve a fairer and more equitable distribution of the costs to customer classes and to customers within each class.

Recommendations:

1. Adopt the plan of a 10% reduction to rates for FY 2013. Review the analysis periodically to determine if the projected 3.50% annual inflationary level adjustments presented herein for FY 2015 through FY 2022 continue to be required.
2. Adopt the schedule of rates presented herein, which reflect adjustments to the rate structure as recommended herein which also reflect the 10% reduction in rate revenue.
3. Perform an annual review/update of the revenue sufficiency analysis to ensure that as events actually occur, the plan can be adjusted as necessary to continue to provide sufficient revenues to meet the Utility's needs.

If you have any question or would like to discuss this Final Draft Technical Memorandum, please do not hesitate to call me at (904) 247-0787.

Sincerely,



Michael E. Burton
President

APPENDIX

The following pages of this appendix present tables for each customer class which present the impact that the proposed rates will have upon the monthly wastewater bill compared to the monthly wastewater bill with the current rates.

Single Family Monthly Sewer Bill Calculations			
	Current	Proposed	
Customer charge	\$ -	\$ 1.31	
Monthly Base facility charge	\$ 14.89	\$ 8.92	
Volume Charge per 1,000 gals	\$ 3.46	\$ 5.13	
Monthly Bill			
	Gallons	Current	Proposed
Zero Use	0	\$ 14.89	\$ 10.23
Low Use	4,000	\$ 28.73	\$ 30.75
Median Use	6,000	\$ 35.65	\$ 41.01
Average Use	8,000	\$ 42.57	\$ 51.27
Max Use	10,000	\$ 49.49	\$ 61.53

Multi Family - Duplex - Monthly Sewer Bill Calculations			
	Current	Proposed	
Customer charge	\$ -	\$ 1.31	
Monthly Base facility charge	\$ 14.26	\$ 3.68	
Volume Charge per 1,000 gals	\$ 3.46	\$ 5.13	
Monthly Bill			
	Gallons	Current	Proposed
Zero Use	0	\$ 28.52	\$ 8.67
Low Use	5,000	\$ 45.82	\$ 34.32
Median Use	7,000	\$ 52.74	\$ 44.58
Average Use	10,000	\$ 63.12	\$ 59.97
Max Use	20,000	\$ 97.72	\$ 111.27

Multi Family - Low # of Units - Monthly Sewer Bill Calculations			
	Current	Proposed	
Customer charge	\$ -	\$ 1.31	
Monthly Base facility charge	\$ 14.26	\$ 3.68	
Volume Charge per 1,000 gals	\$ 3.46	\$ 5.13	
# of Units:	10	Monthly Bill	
	Gallons	Current	Proposed
Low Use	20,000	\$ 211.80	\$ 140.71
Average Use	30,000	\$ 246.40	\$ 192.01
High Use	50,000	\$ 315.60	\$ 294.61

Multi Family - Medium # of Units - Monthly Sewer Bill Calculations				
	Current		Proposed	
Customer charge	\$	-	\$	1.31
Monthly Base facility charge	\$	14.26	\$	3.68
Volume Charge per 1,000 gals	\$	3.46	\$	5.13
# of Units:		50	Monthly Bill	
	Gallons	Current	Proposed	
Low Use	100,000	\$ 1,059.00	\$	698.31
Average Use	150,000	\$ 1,232.00	\$	954.81
High Use	250,000	\$ 1,578.00	\$	1,467.81

Multi Family - High # of Units - Monthly Sewer Bill Calculations				
	Current		Proposed	
Customer charge	\$	-	\$	1.31
Monthly Base facility charge	\$	14.26	\$	3.68
Volume Charge per 1,000 gals	\$	3.46	\$	5.13
# of Units:	Monthly Bill			
	Gallons	Current	Proposed	
Low Use	400,000	\$ 4,236.00	\$	2,789.31
Average Use	600,000	\$ 4,928.00	\$	3,815.31
High Use	1,000,000	\$ 6,312.00	\$	5,867.31

Commercial Accounts - Monthly Sewer Bill Calculations

Proposed FY	
Current	2013 Rates
Customer charge \$	- \$ 1.31
Monthly Base facility charge \$	16.33 \$ 8.92
Volume Charge per 1,000 gals \$	3.46 \$ 5.13

Monthly Bill

Location #	Customer Name	Current Units	Calculated Units	Meter Size	Avg Gallons per Month in FY 2011	Current	Proposed FY 2013	\$ Change	% Change
3050780	AMERICAN BUILDERS	8	3	1.5"	22,000	\$ 206.76	\$ 140.93	\$ (65.83)	-31.8%
3051004	VON BEHREN LAURAL & JAMES	2	3	1"	20,000	\$ 101.86	\$ 130.67	\$ 28.81	28.3%
3051021	CORAL SPRINGS INV GRUOP INC	2	12	1.5"	71,000	\$ 278.32	\$ 472.58	\$ 194.26	69.8%
3051023	LAUDER SEA PROPERTIES N	11	3	1.5"	28,000	\$ 276.51	\$ 171.71	\$ (104.80)	-37.9%
3051027	SEAGRAPE COMMONS LLC	11	6	1"	43,000	\$ 328.41	\$ 275.42	\$ (52.99)	-16.1%
3051028	SANDERS KENNETH	2	1	1"	5,000	\$ 49.96	\$ 35.88	\$ (14.08)	-28.2%
3051054	T & R TACKLE SHOP	2	1	5/8"	8,000	\$ 60.34	\$ 51.27	\$ (9.07)	-15.0%
3051055	WIRTH CATHERINE	1	1	5/8"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%
3051056	BEACH ACE HARDWARE INC	1	1	5/8"	5,000	\$ 33.63	\$ 35.88	\$ 2.25	6.7%
3051057	BEACH ACE HARDWARE INC	1	1	5/8"	5,000	\$ 33.63	\$ 35.88	\$ 2.25	6.7%
3051058	RICHARD BARRIE INC	5	1	1"	6,000	\$ 102.41	\$ 41.01	\$ (61.40)	-60.0%
3051060	DRGS PHARMACY INC	1	1	3/4"	2,000	\$ 23.25	\$ 20.49	\$ (2.76)	-11.9%
3051061	TOMASSO GEORGE A	2	1	5/8"	2,000	\$ 39.58	\$ 20.49	\$ (19.09)	-48.2%
3051062	NILV INC	4	1	1"	6,000	\$ 86.08	\$ 41.01	\$ (45.07)	-52.4%
3051063	GEOBAC INC	2	1	1"	3,000	\$ 43.04	\$ 25.62	\$ (17.42)	-40.5%
3051064	BASIN DRIVE LLC	4	1	1"	10,000	\$ 99.92	\$ 61.53	\$ (38.39)	-38.4%
3051065	WORDEN BROTHERS INC	1	2	5/8"	14,000	\$ 64.77	\$ 90.97	\$ 26.20	40.5%
3051066	POLLACK ROBERT W	4	1	1.5"	1,000	\$ 68.78	\$ 15.36	\$ (53.42)	-77.7%
3051071	GIUSEPPE AFFRONTI	2	5	1"	22,000	\$ 108.78	\$ 158.77	\$ 49.99	46.0%
3051072	INTERIOR DIGS LLC	2	1	1"	4,000	\$ 46.50	\$ 30.75	\$ (15.75)	-33.9%
3051075	CONCORD REFERRAL SVCS	3	1	1"	8,000	\$ 76.67	\$ 51.27	\$ (25.40)	-33.1%
3051082	MOSS M	2	1	5/8"	2,000	\$ 39.58	\$ 20.49	\$ (19.09)	-48.2%
3051083	BENIHANA NATIONAL OF	1	19	2"	166,000	\$ 590.69	\$ 1,022.37	\$ 431.68	73.1%
3051176	NORTHUP JAMES R	2	1	1"	4,000	\$ 46.50	\$ 30.75	\$ (15.75)	-33.9%
3051178	4344 LLC	2	1	5/8"	8,000	\$ 60.34	\$ 51.27	\$ (9.07)	-15.0%
3051179	4344 LLC	2	1	5/8"	3,000	\$ 43.04	\$ 25.62	\$ (17.42)	-40.5%
3051182	BAYVIEW GENERAL MEDICIN	5	1	1"	2,000	\$ 88.57	\$ 20.49	\$ (68.08)	-76.9%
3051183	4403 TRADEWINDS INC	3	20	1.5"	160,000	\$ 602.59	\$ 1,000.51	\$ 397.92	66.0%
3051186	WOMANS CLUB	1	1	5/8"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%

Commercial Accounts - Monthly Sewer Bill Calculations

	Proposed FY	
	Current	2013 Rates
Customer charge	\$ -	\$ 1.31
Monthly Base facility charge	\$ 16.33	\$ 8.92
Volume Charge per 1,000 gals	\$ 3.46	\$ 5.13

Location #	Customer Name	Current		Calculated	Meter Size	Avg Gallons per Month in FY 2011	Proposed FY		% Change
		Units	Units				Current	2013	
3050780	AMERICAN BUILDERS	8	3	3	1.5"	22,000	\$ 206.76	\$ 140.93	(65.83) -31.8%
3051004	VON BEHREN LAURAL & JAMES	2	3	3	1"	20,000	\$ 101.86	\$ 130.67	28.81 28.3%
3051021	CORAL SPRINGS INV GRUOP INC	2	12	12	1.5"	71,000	\$ 278.32	\$ 472.58	194.26 69.8%
3051023	LAUDER SEA PROPERTIES N	11	3	3	1.5"	28,000	\$ 276.51	\$ 171.71	(104.80) -37.9%
3051027	SEAGRAPE COMMONS LLC	11	6	6	1"	43,000	\$ 328.41	\$ 275.42	(52.99) -16.1%
3051028	SANDERS KENNETH	2	1	1	1"	5,000	\$ 49.96	\$ 35.88	(14.08) -28.2%
3051054	T & R TACKLE SHOP	2	1	1	5/8"	8,000	\$ 60.34	\$ 51.27	(9.07) -15.0%
3051055	WIRTH CATHERINE	1	1	1	5/8"	1,000	\$ 19.79	\$ 15.36	(4.43) -22.4%
3051056	BEACH ACE HARDWARE INC	1	1	1	5/8"	5,000	\$ 33.63	\$ 35.88	2.25 6.7%
3051057	BEACH ACE HARDWARE INC	1	1	1	5/8"	5,000	\$ 33.63	\$ 35.88	2.25 6.7%
3051058	RICHARD BARRIE INC	5	1	1	1"	6,000	\$ 102.41	\$ 41.01	(61.40) -60.0%
3051060	DRGS PHARMACY INC	1	1	1	3/4"	2,000	\$ 23.25	\$ 20.49	(2.76) -11.9%
3051061	TOMASSO GEORGE A	2	1	1	5/8"	2,000	\$ 39.58	\$ 20.49	(19.09) -48.2%
3051062	NLV INC	4	1	1	1"	6,000	\$ 86.08	\$ 41.01	(45.07) -52.4%
3051063	GEOBAC INC	2	1	1	1"	3,000	\$ 43.04	\$ 25.62	(17.42) -40.5%
3051064	BASIN DRIVE LLC	4	1	1	1"	10,000	\$ 99.92	\$ 61.53	(38.39) -38.4%
3051065	WORDEN BROTHERS INC	1	2	2	5/8"	14,000	\$ 64.77	\$ 90.97	26.20 40.5%
3051066	POLLACK ROBERT W	4	1	1	1.5"	1,000	\$ 68.78	\$ 15.36	(53.42) -77.7%
3051071	GIUSEPPE AFFRONTI	2	5	5	1"	22,000	\$ 108.78	\$ 158.77	49.99 46.0%
3051072	INTERIOR DIGS LLC	2	1	1	1"	4,000	\$ 46.50	\$ 30.75	(15.75) -33.9%
3051075	CONCORD REFERRAL SVCS	3	1	1	1"	8,000	\$ 76.67	\$ 51.27	(25.40) -33.1%
3051082	MOSS M	2	1	1	5/8"	2,000	\$ 39.58	\$ 20.49	(19.09) -48.2%
3051083	BENIHANA NATIONAL OF	1	19	19	2"	166,000	\$ 590.69	\$ 1,022.37	431.68 73.1%

Commercial Accounts - Monthly Sewer Bill Calculations										
Location #	Customer Name	Current Units	Calculated Units	Meter Size	Avg Gallons per Month in FY 2011	Current	Proposed FY 2013	\$ Change	% Change	
3051176	NORTHROP JAMES R	2	1	1"	4,000	\$ 46.50	\$ 30.75	\$ (15.75)	-33.9%	
3051178	4344 LLC	2	1	5/8"	8,000	\$ 60.34	\$ 51.27	\$ (9.07)	-15.0%	
3051179	4344 LLC	2	1	5/8"	3,000	\$ 43.04	\$ 25.62	\$ (17.42)	-40.5%	
3051182	BAYVIEW GENERAL MEDICIN	5	1	1"	2,000	\$ 88.57	\$ 20.49	\$ (68.08)	-76.9%	
3051183	4403 TRADEWINDS INC	3	20	1.5"	160,000	\$ 602.59	\$ 1,000.51	\$ 397.92	66.0%	
3051186	WOMANS CLUB	1	1	5/8"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%	
3051187	HOFFMAN TRADWINDS LLC	2	1	1"	2,000	\$ 39.58	\$ 20.49	\$ (19.09)	-48.2%	
3051450	KEESE PERRY F	2	3	1.5"	21,000	\$ 105.32	\$ 135.80	\$ 30.48	28.9%	
3051451	GARDEN SPA NEW	1	1	3/4"	6,000	\$ 37.09	\$ 41.01	\$ 3.92	10.6%	
3051452	POULIOT REYNALD MID	1	1	3/4"	5,000	\$ 33.63	\$ 35.88	\$ 2.25	6.7%	
3051453	PSH HOLDINGS INC	7	1	1.5"	8,000	\$ 141.99	\$ 51.27	\$ (90.72)	-63.9%	
3051454	PSH HOLDINGS INC	5	3	1"	19,000	\$ 147.39	\$ 125.54	\$ (21.85)	-14.8%	
3051455	253 COMMERCIAL LLC	6	3	1"	17,000	\$ 156.80	\$ 115.28	\$ (41.52)	-26.5%	
3051456	PANDA BY THE SEA LLC	2	3	1.5"	23,000	\$ 112.24	\$ 146.06	\$ 33.82	30.1%	
3051458	TWO FORTY ONE PARTNERS LLC	3	1	1"	5,000	\$ 66.29	\$ 35.88	\$ (30.41)	-45.9%	
3051459	NATIONS FUNDING SOURCE INC	2	4	1"	13,000	\$ 77.64	\$ 103.68	\$ 26.04	33.5%	
3051460		3	2	5/8"	7,000	\$ 73.21	\$ 55.06	\$ (18.15)	-24.8%	
3051461	MJB CHELSEA LLC	15	2	1"	16,000	\$ 300.31	\$ 101.23	\$ (199.08)	-66.3%	
3051462	PAUL STEPHEN DDS	1	1	5/8"	6,000	\$ 37.09	\$ 41.01	\$ 3.92	10.6%	
3051463	DOCTOR BY THE SEA INC	1	1	5/8"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%	
3051464	SABATINI LUCIANO	6	1	1"	9,000	\$ 129.12	\$ 56.40	\$ (72.72)	-56.3%	
3051465	BANK UNITED	1	1	1.5"	2,000	\$ 23.25	\$ 20.49	\$ (2.76)	-11.9%	
3051467	BY THE SEA REALTY INC	1	1	5/8"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%	
3051468	B & C REAL ESTATE HOLDINGS LLC	2	3	1.5"	11,000	\$ 70.72	\$ 84.50	\$ 13.78	19.5%	
3051544	MANGANO PAULA	5	1	1.5"	12,000	\$ 123.17	\$ 71.79	\$ (51.38)	-41.7%	
3051546	JONES MARY J	6	1	1"	3,000	\$ 108.36	\$ 25.62	\$ (82.74)	-76.4%	
3051551	TOWN OF LAUD BY THE SEA	1	4	1.5"	22,000	\$ 92.45	\$ 149.85	\$ 57.40	62.1%	
3051553	JONES MARY J	4	1	1"	9,000	\$ 96.46	\$ 56.40	\$ (40.06)	-41.5%	
3051558	ZYCH JOHN	25	6	1.5"	45,000	\$ 563.95	\$ 285.68	\$ (278.27)	-49.3%	
3051561	WRUSSO PROPERTY MANAGEMENT CORP	22	8	1.5"	61,000	\$ 570.32	\$ 385.60	\$ (184.72)	-32.4%	
3051566	7 ELEVEN INC #10465	1	7	5/8"	36,000	\$ 140.89	\$ 248.43	\$ 107.54	76.3%	

Commercial Accounts - Monthly Sewer Bill Calculations											
Location #	Customer Name	Current Units	Calculated Units	Meter Size	Avg Gallons per Month in FY 2011	Current	Proposed FY 2013	\$ Change	% Change		
3051567	WALGREENS #1681	1	1	1"	6,000	\$ 37.09	\$ 41.01	\$ 3.92	10.6%		
3051568	OCEAN CAR RENTAL	1	1	5/8"	4,000	\$ 30.17	\$ 30.75	\$ 0.58	1.9%		
3051582	FEMS VENTURE	1	1	5/8"	8,000	\$ 44.01	\$ 51.27	\$ 7.26	16.5%		
3051583	HYAAT Z INC/BY THE SEA LAUNDRY	1	13	2"	106,000	\$ 383.09	\$ 661.05	\$ 277.96	72.6%		
3051584	WALGREEN'S LIQUOR #1681	1	1	1"	3,000	\$ 26.71	\$ 25.62	\$ (1.09)	-4.1%		
3051587	WHITE CAP OF FLA INC	25	14	2"	126,000	\$ 844.21	\$ 772.57	\$ (71.64)	-8.5%		
3051596	BREZA THOMAS S	1	2	1"	16,000	\$ 71.69	\$ 101.23	\$ 29.54	41.2%		
3051598	AG SOLID INVESTMENTS	7	7	1"	38,000	\$ 245.79	\$ 258.69	\$ 12.90	5.2%		
3051599	CULARTIST MANAGEMENT LLC	1	2	3/4"	7,000	\$ 40.55	\$ 55.06	\$ 14.51	35.8%		
3051600	BELCARRA INC	1	1	5/8"	12,000	\$ 57.85	\$ 71.79	\$ 13.94	24.1%		
3051601		1	1	5/8"	5,000	\$ 33.63	\$ 35.88	\$ 2.25	6.7%		
3051602	KARAMANAGA SUL	2	2	1"	14,000	\$ 81.10	\$ 90.97	\$ 9.87	12.2%		
3051603	OCEAN OIL CO	1	1	1"	7,000	\$ 40.55	\$ 46.14	\$ 5.59	13.8%		
3051606	STAND BY VA LLC	1	11	2"	66,000	\$ 244.69	\$ 438.01	\$ 193.32	79.0%		
3051611	BERMUDA BLUE VACATION APTS LLC	6	2	1"	15,000	\$ 149.88	\$ 96.10	\$ (53.78)	-35.9%		
3051621	MARZEC ZENON	18	12	1.5"	81,000	\$ 574.20	\$ 523.88	\$ (50.32)	-8.8%		
3051622	MARZEC ZENON	26	7	1.5"	49,000	\$ 594.12	\$ 315.12	\$ (279.00)	-47.0%		
3051631	NORTH POINTE INVESTMENTS LLC	185	97	4"	578,000	\$ 5,020.93	\$ 3,831.69	\$ (1,189.24)	-23.7%		
3051635	BEACH WINDS APTS	5	2	1"	17,000	\$ 140.47	\$ 106.36	\$ (34.11)	-24.3%		
3051639	BUENA VISTA OCEANSIDE LLC	0	3	1"	18,000	\$ 62.28	\$ 120.41	\$ 58.13	93.3%		
3051641	BUENA VISTA OCEAN SIDE LLC	4	2	2"	9,000	\$ 96.46	\$ 65.32	\$ (31.14)	-32.3%		
3051654	PTOLEMAIOS PROPERTY LP	12	3	1.5"	19,000	\$ 261.70	\$ 125.54	\$ (136.16)	-52.0%		
3051656	PTOLEMAIOS PROPERTY LP	7	3	1"	20,000	\$ 183.51	\$ 130.67	\$ (52.84)	-28.8%		
3051659	ASWANI SURESH	1	1	5/8"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%		
3051663	SETTON DANIEL	4	1	1"	7,000	\$ 89.54	\$ 46.14	\$ (43.40)	-48.5%		
3051664	KAVON ENTERPRISES INC	1	1	5/8"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%		
3051665	KAVON ENTERPRISED INC	2	1	5/8"	3,000	\$ 43.04	\$ 25.62	\$ (17.42)	-40.5%		
3051666	FISHERMANS PIER INC	3	3	5/8"	22,000	\$ 125.11	\$ 140.93	\$ 15.82	12.6%		
3051667	FISHERMANS PIER INC	2	4	5/8"	38,000	\$ 164.14	\$ 231.93	\$ 67.79	41.3%		
3051690	GORANA INTERNATIONAL INC	48	21	2"	157,000	\$ 1,327.06	\$ 994.04	\$ (333.02)	-25.1%		
3051692	SELLITTI FAMILY LIMITED PARTNE	4	4	1"	22,000	\$ 141.44	\$ 149.85	\$ 8.41	5.9%		

Commercial Accounts - Monthly Sewer Bill Calculations											
Location #	Customer Name	Current Units	Calculated Units	Meter Size	Avg Gallons per Month in FY 2011	Current	Proposed FY 2013	\$ Change	% Change		
3051693		7	1	1"	3,000	\$ 124.69	\$ 25.62	\$ (99.07)	-79.5%		
3051694	VILLA CAPRICE HOTEL MGMT LLC	8	20	1.5"	126,000	\$ 566.60	\$ 826.09	\$ 259.49	45.8%		
3051695	VILLA CAPRICE HOTEL MGMT LLC	13	11	1.5"	73,000	\$ 464.87	\$ 473.92	\$ 9.05	1.9%		
3051696	LAUD SURF YACHT CLUB	1	1	5/8"	4,000	\$ 30.17	\$ 30.75	\$ 0.58	1.9%		
3051706	WINIARCZYK A&M/IWANYCKY W&M	20	9	1.5"	58,000	\$ 527.28	\$ 379.13	\$ (148.15)	-28.1%		
3051791	COMMUNITY CHURCH	1	1	2"	3,000	\$ 26.71	\$ 25.62	\$ (1.09)	-4.1%		
3051804	TKJ PROPERTIES LLC	6	2	5/8"	15,000	\$ 149.88	\$ 96.10	\$ (53.78)	-35.9%		
3051805	TROPICAIRES MOTEL INVESTMENTS	7	3	5/8"	23,000	\$ 193.89	\$ 146.06	\$ (47.83)	-24.7%		
3051849	TOWN OF LAUD BY THE SEA	1	8	1.5"	62,000	\$ 230.85	\$ 390.73	\$ 159.88	69.3%		
3051850	CITY HALL-LAUD BY SEA	2	19	1.5"	56,000	\$ 226.42	\$ 458.07	\$ 231.65	102.3%		
3051860	SHORE HAVEN MOTOR INN	15	12	1"	70,000	\$ 487.15	\$ 467.45	\$ (19.70)	-4.0%		
3051864	B & RP INVESTMENTS	4	1	1"	3,000	\$ 75.70	\$ 25.62	\$ (50.08)	-66.2%		
3051865	SERAFINI SILVIO	4	1	1"	7,000	\$ 89.54	\$ 46.14	\$ (43.40)	-48.5%		
3051866	FRANCIONI CREATIONS INC	2	1	5/8"	6,000	\$ 53.42	\$ 41.01	\$ (12.41)	-23.2%		
3051867	PARADISE BY THE BEACH	2	1	5/8"	2,000	\$ 39.58	\$ 20.49	\$ (19.09)	-48.2%		
3051868	BY THE SEA DINER	1	1	5/8"	11,000	\$ 54.39	\$ 66.66	\$ 12.27	22.6%		
3051869	COMMERCIAL A1A LLC	7	5	1.5"	44,000	\$ 266.55	\$ 271.63	\$ 5.08	1.9%		
3051872	SHORE HAVEN MOTOR INN	25	8	1.5"	60,000	\$ 615.85	\$ 380.47	\$ (235.38)	-38.2%		
3051873	SHORE HAVEN MOTOR INN	28	7	1.5"	52,000	\$ 637.16	\$ 330.51	\$ (306.65)	-48.1%		
3051877	LANDMARK LUXURY HOMES	4	2	1"	13,000	\$ 110.30	\$ 85.84	\$ (24.46)	-22.2%		
3051878	ALESA LLC	6	2	1"	12,000	\$ 139.50	\$ 80.71	\$ (58.79)	-42.1%		
3051879	ALESA LLC	5	2	1"	16,000	\$ 137.01	\$ 101.23	\$ (35.78)	-26.1%		
3051893	DALLE VEDOVE GINO	11	5	1.5"	27,000	\$ 273.05	\$ 184.42	\$ (88.63)	-32.5%		
3051894	DALLE VEDOVE GINO	6	2	1"	10,000	\$ 132.58	\$ 70.45	\$ (62.13)	-46.9%		
3051896	O'SEAN VILLA LLC	4	1	1"	7,000	\$ 89.54	\$ 46.14	\$ (43.40)	-48.5%		
3051897	O'SEAN VILLA LLC	8	4	1.5"	22,000	\$ 206.76	\$ 149.85	\$ (56.91)	-27.5%		
3051900	LAW OFFICES OF LEONARD E ZEDECK	12	4	1"	31,000	\$ 303.22	\$ 196.02	\$ (107.20)	-35.4%		
3051901	DEEJAY APTS	6	3	1.5"	18,000	\$ 160.26	\$ 120.41	\$ (39.85)	-24.9%		
3051904	LBTS PROPERTIES LLC	8	2	1"	11,000	\$ 168.70	\$ 75.58	\$ (93.12)	-55.2%		
3051913	SPRING CREEK INC	12	14	1.5"	126,000	\$ 631.92	\$ 772.57	\$ 140.65	22.3%		
3051917	TRENT G Z MRS	2	1	5/8"	5,000	\$ 49.96	\$ 35.88	\$ (14.08)	-28.2%		

Commercial Accounts - Monthly Sewer Bill Calculations									
Location #	Customer Name	Current Units	Calculated Units	Meter Size	Avg Gallons per Month in FY 2011	Current	Proposed FY 2013	\$ Change	% Change
3051918	FISHERMAN PIER INC	1	1	3/4"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%
3051919	LORDS REALTY	1	1	5/8"	2,000	\$ 23.25	\$ 20.49	\$ (2.76)	-11.9%
3051920	ATHENA BY THE SEA	1	5	1.5"	36,000	\$ 140.89	\$ 230.59	\$ 89.70	63.7%
3051921	FISHERMANS PIER INC	2	3	1"	25,000	\$ 119.16	\$ 156.32	\$ 37.16	31.2%
3051922	COCOYOGURT INC	1	2	5/8"	10,000	\$ 50.93	\$ 70.45	\$ 19.52	38.3%
3051923	THE DAISY COFFEE HOUSE LLC	1	1	5/8"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%
3051924	AGAMI LEON	2	15	1.5"	132,000	\$ 489.38	\$ 812.27	\$ 322.89	66.0%
3051927	DAMURIJIAN HARRY	11	10	2"	79,000	\$ 452.97	\$ 495.78	\$ 42.81	9.5%
3051928	VBS CONDO ASSOCIATION	1	9	2"	64,000	\$ 237.77	\$ 409.91	\$ 172.14	72.4%
3051941	FURTH BARBARA	12	5	1"	34,000	\$ 313.60	\$ 220.33	\$ (93.27)	-29.7%
3051942	LBTS PROPERTIES LLC	14	6	1.5"	28,000	\$ 325.50	\$ 198.47	\$ (127.03)	-39.0%
3051945	OCEAN TERRACE	5	1	1"	8,000	\$ 109.33	\$ 51.27	\$ (58.06)	-53.1%
3051947	HALF VENTURES OCEAN DEV OF FL	13	5	1.5"	37,000	\$ 340.31	\$ 235.72	\$ (104.59)	-30.7%
3051950	DEEJAY APTS	6	2	1"	13,000	\$ 142.96	\$ 85.84	\$ (57.12)	-40.0%
3051952	DEEJAY APTS	7	3	1"	23,000	\$ 193.89	\$ 146.06	\$ (47.83)	-24.7%
3051954	DEEJAY APTS	0	1	1"	8,000	\$ 27.68	\$ 51.27	\$ 23.59	85.2%
3051961	SHUTTERS ON THE OCEAN LLC	149	100	4"	688,000	\$ 4,813.65	\$ 4,422.75	\$ (390.90)	-8.1%
3051964	ABAZOEIC AHMET	20	7	1.5"	52,000	\$ 506.52	\$ 330.51	\$ (176.01)	-34.7%
3051965	A& M RESORT LLC	7	2	1.5"	10,000	\$ 148.91	\$ 70.45	\$ (78.46)	-52.7%
3051968	BLUE BAY INVESTMENTS LLC	11	6	1"	44,000	\$ 331.87	\$ 280.55	\$ (51.32)	-15.5%
3051970	TROPIC SEAS RESORT INC	9	5	1.5"	45,000	\$ 302.67	\$ 276.76	\$ (25.91)	-8.6%
3051971	SECCO OSCAR & NANCY	8	5	2"	26,000	\$ 220.60	\$ 179.29	\$ (41.31)	-18.7%
3051972	RAVEN ENTERPRISES LTD	6	6	1.5"	29,000	\$ 198.32	\$ 203.60	\$ 5.28	2.7%
3051977	TROPIC RANCH MANAGEMENT LLC	13	4	1.5"	30,000	\$ 316.09	\$ 190.89	\$ (125.20)	-39.6%
3051978	LITTLE ITALY OCEANSIDE INV, LL	13	26	2"	131,000	\$ 665.55	\$ 905.26	\$ 239.71	36.0%
3051979	LITTLE ITALY OCEANSIDE INV,LLC	16	7	2"	44,000	\$ 413.52	\$ 289.47	\$ (124.05)	-30.0%
3051981	LEISURE MAR ASSOC INC	1	1	1.5"	3,000	\$ 26.71	\$ 25.62	\$ (1.09)	-4.1%
3051983	SOUTER GEORGE H	7	5	1"	27,000	\$ 207.73	\$ 184.42	\$ (23.31)	-11.2%
3051984	SALTY SEAS APTS	8	4	1"	29,000	\$ 230.98	\$ 185.76	\$ (45.22)	-19.6%
3051985	SOUTER GEORGE H	12	10	2"	74,000	\$ 452.00	\$ 470.13	\$ 18.13	4.0%
3051988	VILLAS BY THE SEA	1	1	2"	2,000	\$ 23.25	\$ 20.49	\$ (2.76)	-11.9%

Commercial Accounts - Monthly Sewer Bill Calculations										
Location #	Customer Name	Current Units	Calculated Units	Meter Size	Avg Gallons per Month in FY 2011	Current	Proposed FY 2013	\$ Change	% Change	
3051990	VBS CONDO ASSOCIATION	1	3	2"	21,000	\$ 88.99	\$ 135.80	\$ 46.81	52.6%	
3051996	DAVINIS EMMMA B	5	2	1"	13,000	\$ 126.63	\$ 85.84	\$ (40.79)	-32.2%	
3051997	HIGH NOON APTS MOTEL IN	19	8	1.5"	64,000	\$ 531.71	\$ 400.99	\$ (130.72)	-24.6%	
3051999	NOVAK PAUL	1	5	1"	40,000	\$ 154.73	\$ 251.11	\$ 96.38	62.3%	
3052001	SINIVAD INC	16	9	1.5"	61,000	\$ 472.34	\$ 394.52	\$ (77.82)	-16.5%	
3052002	PADDYS INHERITANCE INC	1	1	5/8"	4,000	\$ 30.17	\$ 30.75	\$ 0.58	1.9%	
3052003	VILLAGE GRILLE	1	11	1"	95,000	\$ 345.03	\$ 586.78	\$ 241.75	70.1%	
3052004	VILLAGE PUMP	1	3	1"	28,000	\$ 113.21	\$ 171.71	\$ 58.50	51.7%	
3052005	ARUBA BAY INC	1	49	2"	414,000	\$ 1,448.77	\$ 2,562.21	\$ 1,113.44	76.9%	
3052305	SEA RANCH LAKES PHYS. THERAPY PLUS	1	1	3/4"	1,000	\$ 19.79	\$ 15.36	\$ (4.43)	-22.4%	